



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

For Immediate Release

Monday, June 4, 2001

## Grassley Works to Help Ensure Smooth Sailing on Tax Rebate Checks

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, and ranking member Sen. Max Baucus today asked the government agencies that will mail out 95 million tax rebate checks to verify that the mailing will go smoothly.

“When we tell taxpayers the check’s in the mail, the check absolutely has to be in the mail,” Grassley said. “Government agencies should have every ‘i’ dotted and every ‘t’ crossed to make sure tax rebate checks go out to every deserving taxpayer, without any snags and with a good way to respond to consumers’ questions. Smooth sailing on tax rebate checks is what Congress intended.”

The tax rebate checks will go out under the comprehensive tax relief legislation just passed by Congress, under Grassley’s leadership. President Bush is expected to sign the legislation this Thursday. The Internal Revenue Service estimates it will send 95 million rebate checks starting in July and ending in October. The rebate checks will amount to as much as \$300 for individual taxpayers, as much as \$500 for heads of households and as much as \$600 for joint returns.

The text of the Grassley-Baucus letter follows.

June 4, 2001

Via Regular Mail and Facsimile: Treasury (202-622-0534), IRS (202-622-4735)

The Honorable Paul H. O'Neill  
Secretary  
United States Department of the Treasury  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

The Honorable Charles Rossotti  
Commissioner  
Internal Revenue Service  
1111 Constitution Avenue, N.W.  
Washington, D.C. 20224

Dear Secretary O'Neill and Commissioner Rossotti:

We are writing to express our commitment to overseeing that the United States Department

of the Treasury (Treasury) and the Internal Revenue Service (IRS) perform their responsibilities effectively pursuant to the *Economic Growth and Tax Relief Reconciliation Act of 2001* (2001 Act). These responsibilities include the timely and proper disbursement of tax rebate checks. Specifically, the 2001 Act provides for individuals to receive a maximum tax rebate of \$300 back this year, single parents to receive up to \$500, and married couples to receive a maximum of \$600. Since mailing one-time rebate checks is a unique undertaking, we want to make certain that you have a plan and are well-equipped to carry out this task.

Accordingly, we appreciate your responses to the following requests:

1. Please describe how the Treasury and the IRS plan to implement the requirement to issue tax rebate checks to taxpayers.
2. Please describe how the Treasury and the IRS will utilize their human and computer resources to provide timely and accurate notice to taxpayers regarding their rebate and the amount, and regarding the actual disbursement of the rebate checks.
3. Please describe how the Treasury and the IRS intend to minimize waste, fraud, and abuse in implementing the tax rebate.
4. Please describe any other problems that the Treasury and the IRS anticipate in implementing the rebate program.
5. Please explain whether the Treasury and the IRS intend to establish a toll-free number dedicated to customer service to respond to taxpayer questions regarding the tax rebate.
6. Please describe what impact, if any, the tax rebate program will have on other programs and/or projects that the Treasury and the IRS expect to undertake this fiscal year.

Your cooperation in responding to these requests by Friday, June 15, 2001, is appreciated. We also look forward to monthly updates beginning in July 2001 regarding your progress in meeting your goals.

Sincerely,

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Charles E. Grassley  
Chairman

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Max Baucus  
Ranking Member